

FRANCHISE DISCLOSURE DOCUMENT

IDEA Lab International Franchise Company , LLC.

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The franchisee will operate an after-school, birthday and enrichment business that provides STEAM (Science Technology Engineering Arts and Math) programs. Children are given the opportunity to attend either pre-school, after school, early dismissal day camps, spring/summer camps or creative birthday parties.

The total investment necessary to begin operation of an IDEA Lab® franchise ranges from \$60,000 to \$80,000 initial investment and total of \$130,00 – \$280,000 for developing Idea Lab location. If you sign an Area Development Agreement, you must pay us Development Fee equal to \$60,000 if you are going to operate in 2 territories, \$80,000 if you are going to operate in 3 territories, \$95,000 if you are going to operate in 4 territories and \$102,000 if you are planning to operate in 5 territories.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive this disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, us or our affiliates in connection with the proposed franchise sale or grant. **Note, however, that no governmental agency has verified the information contained in this document.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. You are advised to read your entire contract carefully. You are also advised to consult with a lawyer or an accountant regarding this contract the disclosure document.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document, is available from the Federal Trade Commission ("FTC"). You can contact the FTC by calling 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, NW, Washington, D.C. 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: Jun 4th, 2017

STATE COVER PAGE

Your state may have a franchise law that requires us to register or file with a state administrator before offering or selling franchises in your state. REGISTRATION OF A FRANCHISE BY A STATE DOES NOT MEAN THAT THE STATE RECOMMENDS THE FRANCHISE OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT.

Call the state franchise administrator listed in Exhibit A for information about us or franchising in your state.

MANY FRANCHISE AGREEMENTS DO NOT ALLOW YOU TO RENEW UNCONDITIONALLY AFTER THE INITIAL TERM EXPIRES. YOU MAY HAVE TO SIGN A NEW AGREEMENT WITH DIFFERENT TERMS AND CONDITIONS IN ORDER TO CONTINUE TO OPERATE YOUR BUSINESS. BEFORE YOU BUY, CONSIDER WHAT RIGHTS YOU HAVE TO RENEW YOUR FRANCHISE, IF ANY, AND WHAT TERMS YOU MIGHT HAVE TO ACCEPT IN ORDER TO RENEW.

Please consider the following RISK FACTORS before you buy this franchise:

1. THE FRANCHISE AGREEMENT STATES THAT TEXAS LAW GOVERNS THE AGREEMENT, AND THIS LAW MAY NOT PROVIDE THE SAME PROTECTIONS AS LOCAL LAW. YOU MAY WANT TO COMPARE THESE LAWS.
2. THE FRANCHISE AGREEMENT PERMITS YOU TO SUE US ONLY IN TEXAS. (SIMILARLY, IF WE SUE YOU, WE MUST DO SO IN YOUR STATE.) OUT-OF-STATE LITIGATION MAY FORCE YOU TO ACCEPT A LESS FAVORABLE SETTLEMENT FOR DISPUTES. IT MAY ALSO COST MORE TO SUE IDEA LAB® IN TEXAS THAN IN YOUR HOME STATE.
3. THE FRANCHISE AGREEMENT PERMITS US TO CHANGE THE ROYALTY RATES OR DUE DATES ON AT LEAST 60 DAYS NOTICE. YOU HAVE THE RIGHT TO TERMINATE THE FRANCHISE AGREEMENT IF YOU ARE UNWILLING TO PAY ANY INCREASED ROYALTY.
4. YOU MUST PAY THE FRANCHISOR MINIMUM ROYALTY FEES EVERY FOUR WEEK PERIOD BEGINNING AFTER YOUR FIRST TWELVE WEEKS OF OPERATION EVEN IF THE FRANCHISE BUSINESS HAS NO REVENUE. YOU WILL LOSE THE FRANCHISE FEE AND THE FRANCHISE RIGHTS TO THE PROTECTED TERRITORY IF YOU FAIL TO ESTABLISH AN IDEA LAB® BUSINESS WITHIN NINETY DAYS FROM SIGNING THE FRANCHISE AGREEMENT.
5. THERE MAY BE OTHER RISKS CONCERNING THIS FRANCHISE.

Effective Date: See the next page for State Effective Dates:

STATE EFFECTIVE DATES

The following states require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington and Wisconsin

This Franchise Disclosure Document is registered, on file or exempt from registration in the following states having franchise registration and disclosure laws, with the following effective dates:

STATE	EFFECTIVE DATE	ANNIVERSARY DATE
California		
Hawaii		
Illinois		
Indiana		
Maryland		
Michigan		
Minnesota		
New York		
North Dakota		
Rhode Island		
South Dakota		
Virginia		
Washington		
Wisconsin		

In all the other states, the effective date of this Franchise Disclosure Document is the issuance date of Jun 4th , 2017

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